

Is providing families with a \$500 per child tax credit, giving money to the most privileged? Definitely no again, especially when 74 percent of the benefits go to families earning less than the \$75,000. Actually there should be no cap at all.

I guess the liberals have to engage in class warfare because liberal Democrats are the party of failed promises and broken dreams. This is the only defense they have, since, for over 30 years they have done nothing to slow spending, just raise taxes.

Look at the facts. President Clinton promised middle class tax cuts in 1992 and failed to deliver. But he did pass the largest middle-class tax increase in history.

And after the last election, the President and the minority leader proposed tax cuts, only now to withdraw them.

The President promised deficit reduction but his current budget continues \$200 billion deficits from now to eternity.

Mr. Speaker, Republicans have kept their promises, and the liberal Democrats have kept their tired rhetoric. It is the Republicans that will lower taxes, balance the budget, and downsize Government.

Republicans are showing the Nation they have the courage and integrity to create a stronger America.

BASEBALL STRIKE OVER

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Illinois [Mr. DURBIN] is recognized during morning business for 5 minutes.

Mr. DURBIN. Mr. Speaker, I have two different messages this morning. First, let me say this.

After months of interminable negotiations and public relations on-upmanship, the baseball strike appears to finally be over. On both sides during the course of this strike we have seen our share of heroes and cads. May I, as a lifelong baseball fan, give the baseball owners and the players a word of advice?

Your generation of owners and players has been entrusted with an American institution as venerable as any in our country. America has now endured this strike, the loss of a world series and threats of another lost season with amazing equanimity. Now please put this sad chapter in our Nation's history behind us and play ball.

TAX CUTS FOR THE WEALTHY

Now, let me switch to the political side, if I might, for a moment.

The gentleman who spoke before me kicked off the week in a series of speeches which you will hear from both sides of the aisle about the so-called Republican contract and the first 100 days of the 104th Congress. I have taken to this floor many times during the course of this debate on the Republican contract and for the most part have been critical of the proposals on

the Republican side. I voted for a few. I voted against many more.

But let me say at the outset that even though I disagree with many elements in the contract, I certainly disagree with the procedure by which it has been brought to the floor, I have viewed the last 95 days or so as exciting, interesting, and really one that has brought new enthusiasm to this House of Representatives and for that I would like to salute the Republican leadership. They have brought to this floor ideas that have been debated.

The reason I am in public life is because I like the battle of ideas. And, boy, we have sure had a lot of them on the floor over the last several weeks, and we are going to have a big one this week.

In the last few months we have had suggestions from the Republican side to create orphanages. Now there was a concept people had not heard of in a long time. They finally gave up on that idea, but they kicked it around for a while.

They had a proposal they did not give up on to cut the school lunch programs. Unfortunately, that is one that is going to have to be taken care of either by the Senate or the President.

And now they are still working on the concept of cutting student loans for kids from middle-class families who want to go to college and trade school and improve their lives. I certainly hope my Republican friends have second thoughts about those.

But the item for debate this week is one that has already been touched on and that is the so-called Republican tax cut package. Keep in mind, ladies and gentlemen, that every politician would love to stand before you in this well and back home and say, ladies and gentlemen, for this campaign, I present to you a tax cut. And, of course, the crowd will applaud. Everybody loves a tax cut.

But, frankly, if you take a close look at this tax cut from the Republicans, it is a lot different story than it first appears.

The gentleman who spoke a few minutes ago talked about the small-change items in the tax bill that generally do benefit good people, senior citizens and working families and people who want to save for their futures. He overlooked the fact that 51 percent of the benefits of this tax bill do not go to those folks. They go to the wealthiest people in America. The privileged few are going to score again.

And you know who is going to pay for it? Once again, working families all across this country. Because you cannot give a tax cut without paying for it. You are going to add to the deficit.

So the Republicans want to add \$178 billion to the deficit over the next 5 years and then over \$400 billion in the 5 years following that. So it will cost us over \$600 billion for this little tax cut deal.

The last time we had a tax cut proposal this big was when President Ronald Reagan was in the White House. He

said it was going to cure America's problems. We all know what we got for it, the biggest national debt in the history of the United States of America. It was a tax cut that did not work.

And I am afraid this one is the same. Let me just give you one example.

The Republicans eliminate what is called the alternative minimum tax. Now this is a tax on wealthy, profitable corporations in America which was imposed several years ago because we found out that some pretty smart lawyers and accountants had figured loopholes in the Tax Code, and many of the most profitable companies in America, billion dollar enterprises with millions of dollars of profit, were not putting a nickel in the Treasury. They took advantage of this wonderful economy and this system of government and did not pay a penny in taxes.

We said, you know, whatever happens you have got to pay a minimum tax to really contribute to the growth in the country and to pay the bills.

We put the alternative minimum taxes on the books. The corporations paid their taxes for 5 or 6 years. Along come my Republican friends, and they say, "That is unfair. We want to get back to the old days when profitable big corporations would not pay any taxes, where they could get off the hook completely."

That does not make much sense because in order to give that break we have got to continue to cut important programs in education and nutrition.

SUPPORT FOR THE TAX RELIEF ACT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Georgia [Mr. NORWOOD] is recognized during morning business for 5 minutes.

Mr. NORWOOD. Mr. Speaker, I rise today in support of the Tax Relief Act because it is the right thing to do for America. We will put money into the hands of hard-working people who need their own money to make ends meet. We will provide tax relief for working seniors. But more than anything else we will do this week, we will draw a line between the two parties. We will make it crystal clear to the American people which party fights over big government and big spending and which party wants you to have more of your own money.

Mr. Speaker, that we are doing the right thing for America should be obvious—we will pass a \$500 tax credit. Families with children earning less than \$25,000 will have their entire Federal income tax liability eliminated by the tax credit. We will lower the burden on married couples struggling to get by, by passing a tax credit for married couples. We will pass the American dream savings account which will allow hard-working families to save money for college, or a home, or health care tax free.